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Action

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FILE

ACTION DEPARTMENT 732, INFORMATION MONTEVIDEO 8, SANTIAGO  
8, BUENOS AIRES 9, LIMA 14, QUITO 4, ASUNCION 5, BOGOTA 4,  
RIO DE JANEIRO 6, GENEVA 7

GENEVA FOR GATT

LAFTA CONFERENCE VOTED EVENING SEPTEMBER 3 TO EXCLUDE  
CUBA BY VOTE 7 TO NOTHING, MEXICO AND BRAZIL ABSTAINING.

CONFERENCE ADOPTED RESOLUTION 36 AGAINST ADMISSION ANY  
COUNTRY WITH INCOMPATIBLE ECONOMIC SYSTEM AND RESOLUTION  
37 NAMING CUBA AS SUCH A COUNTRY. TEXTS FOLLOW. MEXICO AND  
BRAZIL ABSTAINED JUDICIAL GROUNDS ARTICLE 58 DID NOT PROVIDE  
FOR EXCLUSION ANY APPLICANT, BUT BOTH ACKNOWLEDGED CUBAN  
SYSTEM INCOMPATIBLE WITH LAFTA. REGULAR PLENARY SESSIONS  
RESUMED SEPTEMBER 4.

#### RESOLUTION 36

THE CONFERENCE OF THE CONTRACTING PARTIES, DURING ITS  
SECOND PERIOD OF REGULAR SESSIONS,

CONSIDERING THAT THE PARTIES TO THE MONTEVIDEO TREATY,  
IN ESTABLISHING A FREE TRADE AREA AND INSTITUTING THE

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LATIN-AMERICAN FREE-TRADE ASSOCIATION, RESOLVED TO MAKE THE GREATEST POSSIBLE EFFORT TO CREATE A LATIN-AMERICAN COMMON MARKET AS A RESULT OF THE GRADUAL ELIMINATION OF THE RESTRICTIONS IMPOSED ON THE EXCHANGE OF GOODS, SERVICES, AND CAPITAL; THAT ADHERENCE TO THE TREATY BY THE LATIN-AMERICAN STATES OF NECESSITY IMPLIES THE TECHNICAL AND ECONOMIC COMPATIBILITY OF THEIR RESPECTIVE SYSTEMS WITH THE MONTEVIDEO TREATY;

THAT IT IS INCUMBENT ON THE CONFERENCE, IN ACCORDANCE WITH ARTICLE 34 OF THE TREATY, TO TAKE ALL DECISIONS CONCERNING MATTERS REQUIRING A JOINT DECISION BY THE CONTRACTING PARTIES AND, IN PARTICULAR, TO REACH AN UNDERSTANDING IN MATTERS OF COMMON INTEREST.

RESOLVES:

FIRST. THAT, FOR THE REASONS SET FORTH ABOVE, IT IS NOT PROPER TO ACCEPT THE DEPOSIT OF INSTRUMENTS OF ADHERENCE BY ANY COUNTRY THAT MAINTAINS AN ECONOMIC SYSTEM INCOMPATIBLE WITH THE MONTEVIDEO TREATY.

SECOND. TO COMMUNICATE THIS RESOLUTION TO THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY FOR THE NECESSARY PURPOSES.

RESOLUTION 37

THE CONFERENCE OF THE CONTRACTING PARTIES, DURING ITS TWENTY-THREE SESSION, MADE THE FOLLOWING DECLARATION:

"ARTICLE 37. THE CONFERENCE OF THE CONTRACTING PARTIES, IN ACCORDANCE WITH ARTICLE 36 OF THE TREATY,

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RESOLVED IN THE CONFERENCE

DECLARES:

THAT THERE IS ABSOLUTE INCOMPATIBILITY BETWEEN THE  
ECONOMIC SYSTEM OF CUBA AND THE MONTEVIDEO TREATY AND

RESOLVES:

FRIST. THAT, CONSEQUENTLY, IT IS NOT PROPER TO ACCEPT  
THE DEPOSIT OF THE INSTRUMENT OF ADHERENCE OF THE REPUBLIC  
OF CUBA TO THE MONTEVIDEO TREATY AS LONG AS ITS PRESENT  
ECONOMIC SYSTEM CONTINUES.

SECOND. TO COMMUNICATE THIS RESOLUTION IMMEDIATELY TO  
THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY FOR SUCH  
PURPOSES AS MAY BE NECESSARY.

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